

CITY OF MCMINNVILLE
MINUTES OF THE DINNER MEETING of the McMinnville City Council
Held at the Kent L. Taylor Civic Hall on Gormley Plaza
McMinnville, Oregon
March 10, 2015 at 6:00 p.m.

Presiding: Rick Olson, Mayor

Recording: Rose A. Lorenzen, Recording Secretary

Councilors:	<u>Present</u>	<u>Excused Absence</u>
	Remy Drabkin	Kevin Jeffries
	Scott Hill	Kellie Menke
		Alan Ruden
		Larry Yoder

Also present were City Manager Martha Meeker, City Attorney Candace A. Haines, Transient Lodging Tax Committee Chair Erin Stephenson, and a member of the news media, Don Iler of the *News Register*.

DINNER

CALL TO ORDER: Mayor Olson called the Dinner Meeting to order at 6:30 p.m. and welcomed all in attendance.

LEMONADE DAY: Mayor Olson advised that he would call McMinnville Area Chamber of Commerce President Nathan Knottingham to the dais and would read the Lemonade Day proclamation into the record. He noted that the City of McMinnville is a sponsor of the McMinnville Area Chamber of Commerce's first annual Lemonade Day.

PUBLIC HEARING: City Manager Meeker advised that the public hearing was regarding a Supplemental Budget. The Supplemental Budget was needed to incorporate the Community Development Block Grant funds.

TRANSIENT LODGING TAX (TLT) STRATEGIC PLANNING: Erin Stephenson, TLT Committee Chair updated the City Council on the recent TLT Strategic Planning sessions. She detailed the sessions and advised there had been a meeting at McMenamin's Hotel Oregon to get the word out to the business community following the sessions. She pointed out that approximately 25 people attended the meeting and a list of businesses who support the Transient Lodging Tax Strategic Planning Committee's recommendation to form an independent 501(c) nonprofit destination marketing organization for the purpose of marketing McMinnville as a tourist destination. She said that, Visit Bend President and CEO Doug LaPlaca, who spoke to the TLT Strategic Planning group, did an excellent job of presenting and that his destination marketing organization has flourished and has received more "likes" from social media than Travel California.

Following a brief discussion, City Manager Meeker stated that if the Council would like to see the formation of a destination marketing organization, they should direct staff to move forward with a consultant contract. Mayor Olson suggested that if the Council votes to approve a contract with Mr. LaPlaca, staff could sign the contract. Councilor Drabkin agreed.

AGENDA REVIEW: Mayor Olson briefly reviewed the balance of the agenda.

ADJOURN: Mayor Olson adjourned the Dinner Meeting at 6:50 p.m.

Rose A. Lorenzen, Recording Secretary

CITY OF McMINNVILLE
MINUTES OF REGULAR MEETING of the McMinnville City Council
Held at the Kent L. Taylor Civic Hall on Gormley Plaza
McMinnville, Oregon

Tuesday, March 10, 2015 at 7:00 p.m.

Presiding: Rick Olson, Mayor

Recording: Rose A. Lorenzen, Recording Secretary

Councilors:	<u>Present</u>	<u>Excused Absence</u>
	Remy Drabkin	Kevin Jeffries
	Scott Hill	Kellie Menke
		Alan Ruden
		Larry Yoder

Also present were City Manager Martha Meeker, City Attorney Candace A. Haines, Finance Director Marcia Baragary, Planning Director Doug Montgomery, Community Development Director Mike Bisset, Parks and Recreation Director Jay Pearson, Transient Lodging Tax Committee Chair Erin Stephenson, and a member of the news media, Don Iler of the *News Register*.

AGENDA ITEM

CALL TO ORDER: Mayor Olson called the meeting to order at 7:00 p.m. and welcomed all in attendance.

PLEDGE OF ALLEGIANCE: Councilor Jeffries led in the recitation of the Pledge of Allegiance.

INVITATION TO CITIZENS FOR PUBLIC COMMENT: Mayor Olson asked for comments from the audience regarding items not on the evening's agenda.

Reverend Mike Burr spoke to the City Council regarding the homeless. He urged the City Council to please take a fact-based look at this community problem. He stated that no matter what the religious belief, this problem is something that must be responded to and that people cannot be left to die on the street because of lack of resources. He stated that realistic solutions exist and there are people in McMinnville who are willing to work with the Council to make the city a welcome place for all.

The Council thanked Reverend Burr for his comments and stated that this is a matter that the City Council takes very seriously and is taking a fact-based approach to ensure solutions to this community problem.

CONSIDER MINUTES: Councilor Hill MOVED to approve the minutes of the January 21, 2015 Special City Council Meeting and the January 27, 2015 Dinner and Regular City Council meetings as submitted; SECONDED by Councilor Menke. Motion was unanimously approved.

- 1 PROCLAMATION - Lemonade Day in McMinnville: Mayor Olson invited McMinnville Area Chamber of Commerce President Nathan Knottingham to the front of the room. He pointed out that Lemonade Day is an event focused on empowering the next generation with the life skills, mentorship, and real-world experience needed to achieve their own American Dream, one lemonade stand at a time. He stated that the City is a sponsor of the event and the proclamation would allow the Mayor and Council to further recognize McMinnville's first Lemonade Day and to continue to promote it to the citizens of McMinnville.

Mayor Olson then read the Lemonade Day proclamation into the record. Mr. Knottingham showed his stuffed Lemonhead and stated that the Lemonhead symbolized Lemonade Day. Mayor Olson noted that it would be nice to see how many of the young entrepreneurs that participate in Lemonade Day grow up to be tomorrow's business leaders in McMinnville.

- 2 PUBLIC HEARING

- 2 a 7:00 P.M. PUBLIC HEARING: REGARDING A SUPPLEMENTAL BUDGET (COMMUNITY DEVELOPMENT BLOCK GRANT): Mayor Olson stated that in cooperation with the County, McMinnville will receive a \$400,000 Community Development Block Grant (CDBG) and it is expected that we will execute between \$50,000 and \$100,000 in this budget year. Because this exceeds 10 percent of the City's Special Assessment Fund, state law requires a public hearing. He opened the public hearing at 7:19 and requested a staff report.

Finance Director Baragary stated that because the City will receive up to \$100,000 during this fiscal year, a supplemental budget must be adopted because the amount is more than 10 percent of the fund.

Councilor Hill asked whether the City would receive an administrative fee for administering the grant and whether a single audit would be required.

Mr. Baragary replied that the City would not receive an administrative fee from the grant process because the City is just a pass-through from the State of Oregon to the Housing Authority. She added that not enough funds would pass through this fiscal year to trigger a single audit for

this fiscal year; however, one would be needed for the 2015 - 16 fiscal year.

Councilor Menke asked whether funds would be restricted to just McMinnville or if they would be available throughout McMinnville. Planning Director Montgomery stated that funds are available for homes outside the corporate limits of the City; but definitely within close vicinity of McMinnville.

PUBLIC TESTIMONY: No public testimony was given.

Mayor Olson closed the public hearing at 7:23 p.m.

3

NEW BUSINESS

3 a

PRESENTATION ON TRANSIENT LODGING TAX STRATEGIC PLANNING: Mayor Olson introduced Transient Lodging Tax (TLT) Committee Chair Erin Stephenson and stated that during January and February of this year, the TLT Advisory Committee joined forces with leaders and stakeholders from McMinnville's growing tourism industry to increase its understanding of tourism in the region and the role Transient Lodging Tax revenues play in the development of this sector of McMinnville's economy. He noted that as a result of these meetings, the Advisory Committee is recommending the Council alter the existing TLT bylaws to allow for a creation of a new, stand-alone non-profit marketing organization that will have just one purpose - to effectively market McMinnville as a tourism destination. The Committee is further recommending this Destination Marketing Organization (DMO) should be non-membership based and governed by an independent Board of Directors.

Ms. Stephenson thanked Mayor Olson for the introduction and the brief history. She stated that she was very happy to be back before the Council to talk about the results of the strategic planning project. She noted that she has always been an enthusiastic supporter of McMinnville; but she has never been more excited than now for tourism in the City. She stated that it became apparent by the conclusion of the strategic planning process that McMinnville's future is bright, with a proven effective strategy to promote the City.

She reviewed the various components of the strategic planning sessions and stated that the presentation by Doug LaPlaca, President and CEO from Visit Bend was particularly worthwhile and enlightening. After the presentations, the Committee re-gathered for a four-hour session to distill their recommendations, which include redirecting their focus from the grant program to a new stand-alone organization with one goal - to market McMinnville as a tourist destination by focusing on a cutting edge non-membership marketing program with a Board of Directors. She stated that the Committee also recommended that 100 percent of the TLT tourism-focused funds be directed to

this organization. She distributed a letter of support from all those who participated. She recommended that the City Council approve a contract with Doug LaPlaca to assist in setting up the DMO in McMinnville.

Following a question and answer period, Mayor Olson asked if there were any members of the audience who wished to speak on this topic.

McMinnville Downtown Association (MDA) Manager Cassie Sollars stressed the MDA's appreciation for having received the bulk of the 2014 TLT grants. She assured the Council that the funds will bring in tourists to McMinnville. She pointed out that having a separate organization such as the DMO, lets the Downtown Association get back to its main purpose of promoting downtown McMinnville. She distributed a letter signed by MDA President Kyle Faulk and her to the Mayor and Council heartily supporting the concept of a DMO.

Suzanne Sales, 1400 NW Thompson Lane, advised that she works for R. Stuart Winery and that she sees the DMO as an attainable goal that will be beneficial for all of McMinnville.

Nathan Knottingham commended the process and stated that a DMO allows people to purely focus on marketing and allows others, such as the Chamber of Commerce and the MDA to get back to doing what they do best. He acknowledged full support and appreciation for the process.

Rachel Karl, 1805 NW Elm Street, stated her support for the proposed DMO and advised she was excited to see the group focusing on the use of social media sites to promote McMinnville.

Linda Schwichtenberg, 1559 SW Wright Street, stated that she was a representative for the original Yamhill Valley Visitors Association and had hoped that the room tax would have been in place many years ago. She stated that she could not be happier to see the formation of a DMO to promote McMinnville.

Lorie Kernutt, Director of Willamette Valley Medical Center, stated that she is from Central Oregon and was there during the recent recession. She saw Bend transform into a destination city because of the efforts of the Visit Bend DMO .

Maria Stuart, 228 NW 7th Street, stated that she is with R. Stuart and Company and wanted to emphasize the comments made by Ms. Kernutt and how important it is for McMinnville to retain the core and heart of this community. If everyone's business thrives, the community will thrive.

Linda Hays, 103 SE Baker Street, stated that she owns Hopscotch Toys. She stated that when people give up and go out of business, it is difficult for the entire business

community. She noted that she was worried about the fact that in many instances, multiple storefronts have had to incorporate new stores within their confines to support the business and keep the doors open. She is very hopeful for McMinnville and the DMO.

Each of the City Councilors thanked Ms. Stephenson and the Committee and those in attendance for all of the work they have completed. Councilor Menke added that her only concern was to make sure that the three Committee members whose terms have expired are reappointed.

Councilor Menke MOVED to begin setting out what the Council envisions for future expenditures of Transient Lodging Tax revenues; SECONDED by Councilor Drabkin. Motion PASSED unanimously.

Mayor Olson stated that the TLT Committee has seven members with staggered terms. Three of those terms have expired and it is necessary to reappoint Nathan Knottingham, Liz Rolland, and Bruce Wyatt to the Committee.

Councilor Jeffries MOVED to reappoint Nathan Knottingham, Liz Rolland, and Bruce Wyatt to the Transient Lodging Tax Committee; SECONDED by Councilor Hill. Motion PASSED unanimously.

RECESS / RECONVENE: Mayor Olson called for a brief recess at 8:01 p.m. He reconvened the meeting at 8:05 p.m.

4

RESOLUTIONS

4 a

AWARDING THE DESIGN CONTRACT FOR THE COOK SCHOOL SANITARY SEWER REHABILITATION PROJECT, PROJECT 2014-9: Community Development Director Bisset stated that in December 2014, staff developed and issued a Request for Proposals package for consulting services for the Cook School Sanitary Sewer Rehabilitation Project. Responses were due on January 9, 2015. The City received four proposals - from AKS Engineering and Forestry, LLC, Murray Smith & Associates, Century West Engineering, Inc., and Keller Associates.

Following the selection committee's review and scoring of the proposals, the proposals were ranked in the following order:

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| 1. | AKS Engineering & Forestry | 95 points |
| 2. | Murray Smith & Associates | 94 points |
| 3. | Century West Engineering | 86 points |
| 4. | Keller Associates | 83 points |

Mr. Bisset stated that based on the review criteria, it was staff's recommendation to authorize the City Manager to execute the Personal Services Contract with AKS Engineering and Forestry, LLC in the amount of \$206,845.00 for the design of the Cook School Sanitary Sewer Rehabilitation Project, Project, 2014-9.

Responding to an inquiry from Mayor Olson, Mr. Bisset advised that over the next ten years, it is anticipated that Inflow and Infiltration (I & I) will be aggressively pursued and that, over time, the reduction of I & I into the system will reduce the expected expansion of the wastewater treatment plant. Responding to Councilor Jeffries questions, Mr. Bisset agreed that most of the I & I is coming from the older parts of town where old concrete and clay pipes allow groundwater and rainwater to flow into the pipes and then into the plant. He further explained that while great strides have been made in reducing the I & I, staff continues to track and correct other areas of the City. He stated that it was their hope to be able to show the progress that is being made sometime next year.

Councilor Drabkin MOVED to adopt Resolution No. 2015-11 awarding the design contract for the Cook School Sanitary Sewer Rehabilitation Project, Project 2014-91; SECONDED by Councilor Menke. Motion PASSED unanimously.

4 b

ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2014-15 AND MAKING SUPPLEMENTAL APPROPRIATIONS (COMMUNITY DEVELOPMENT BLOCK GRANT): Mayor Olson stated that this resolution was the accompanying resolution to the public hearing held earlier and was housekeeping in nature.

City Manager Meeker asked Housing Authority of Yamhill County's Housing Rehabilitation Specialist Darcy Reynolds how far outside the city limits the grant funds would go. Ms. Reynolds replied that the bulk of the applications will serve McMinnville residents; although some of the funds will go to Newberg and Sheridan. She pointed out that this is not a unique situation and that the City of Newberg oversaw a Community Development Block Grant last year and funds for that grant also went outside the City of Newberg. This is a model that has been used in Yamhill County for over a decade - the Housing Authority acts as their agent. She advised that they will let the Council know how much of the grant funds will be going to homes outside McMinnville.

Councilor Hill MOVED to adopt Resolution No. 2015-12 adopting a Supplemental Budget for fiscal year 2014-2015 and making supplemental appropriations; SECONDED by Councilor Menke. Motion PASSED unanimously.

4 c

ADOPTING PLANS AND POLICIES NECESSARY TO MEET 2014 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING REQUIREMENTS: Planning Director Montgomery thanked Ms. Reynolds for her dedicated work as a housing rehabilitation specialist. He explained that in December the City was awarded a \$400,000 Community Development Block Grant (CDBG) to be used to rehabilitate manufactured homes. However, before that work can begin, the City must adopt a number of federal policies including a Non-Discrimination on the Basis of Handicapped Status Policy and Grievance Procedure; a Section 3 Plan; a Limited English Proficiency Language Access Plan; a Public

Policy Statement for Businesses Owned by Women, Section 3 Residents, and Minorities; and a Fair Housing Resolution.

Councilor Hill MOVED to adopt Resolution No. 2015-13 adopting certain plans, policies, and resolution necessary to meet federal funding requirements associated with the 2014 Housing Rehabilitation Community Development Block Grant (CDBG) awarded to the City of McMinnville; SECONDED by Councilor Jeffries. Motion PASSED unanimously.

4 d SUPPORTING THE CITY'S APPLICATION FOR FUNDING ASSISTANCE FROM THE LOCAL GOVERNMENT GRANT PROGRAM ADMINISTERED BY THE STATE OF OREGON PARKS AND RECREATION DEPARTMENT: Parks and Recreation Director Pearson stated that last year the City Council passed a resolution to apply for these grants and the Department is once again submitting a grant proposal for assistance in funding the new northwest neighborhood park.

Councilor Menke MOVED to adopt Resolution No. 2015-14 supporting the City's application for funding assistance from the Local Government Grant Program administered by the State of Oregon Parks and Recreation Department; SECONDED by Councilor Drabkin. Motion PASSED unanimously.

5 ADVICE / INFORMATION ITEMS

5 a & b COUNCIL AND DEPARTMENT HEAD REPORTS: Each Councilor and Department Head present gave a brief report.

6 ADJOURNMENT: Mayor Olson adjourned the meeting at 8:22 p.m.

Rose A. Lorenzen, Recording Secretary